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2. Mr. Seymour Berlin, Chief of the Program Planning Division of the Civil Service Commission, called me to state that he was acting as a consultant to the Senate Civil Service Committee in the drafting of the pay and fringe benefits bills, and that Robert Johnson of the Committee staff had called him regarding CIA exemption from provisions of the incentive awards plans legislation. Mr. Berlin stated that the Senate Committee planned to go back to their original draft on this subject in the form in which S. 2665 passed the Senate and that he did not believe that this would be objectionable to CIA as it did not contain the mandatory inspection and review section. He stated that the Civil Service Commission did not want the authority to inspect CIA plans, had no intention of doing so, and would cooperate with us to the fullest extent. He pointed out that S. 2665 as reported in the House had substituted the Hagen bill on incentive awards which did carry the inspection provision, but that the Senate hoped to retain their original draft. He suggested that we write to Chairman Rees, of the House Committee, asking for the exemption in Title III, but pointed out that S. 2665 itself would probably never come to a vote in the House. The plan is to incorporate all of these matters into one overall pay and fringe benefits bill and tack it on to some minor Civil Service bill already passed by the House and thus bring the whole matter directly to Conference. Mr. Berlin suggested that we write Senator Carlson a second letter stating our preference for the Senate's incentive awards act and asking them to take care in Conference that if the House version were passed that they include an exemption for CIA. Mr. Meloon concurs in taking this action.

27 July 1954

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